



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

February 23, 2006

Robert Steele  
HICAL 1 Mine  
1055 North 400 East  
Nephi, Utah 84648

Subject: Failure to Post Additional Surety, Bob Steele, Hi-Cal, M/023/071, Juab  
County, Utah

Dear Mr. Steele:

On October 11, 2005 Doug Jensen and myself visited the Hi-Cal mine and determined that the plan must be revised prior to bond reduction. You asked us to consider the reduction of the highwall and we informed you that until a revised plan is received, the Division could not accurately determine the bond. You stated you would get this updated information to us. To date, the Division has not received this information and still has not granted final approval for your permit. The division originally granted tentative approval on March 11, 2005 and requested the additional \$8,000 dollar surety.

The Division needs to finalize and approve this permit. The Division requests you submit the revised information or a \$8,000 surety within thirty days or the Division will perform an inspection and may issue a cessation order for failure to have an approved mining permit.

Any questions or concerns about this please contact myself or Tom Munson (801) 538-5321 of my staff.

Sincerely,

Susan M. White  
Mining Program Coordinator  
Minerals Regulatory Program

SMW:tm:jb

cc: Jerry Mansfield, Fillmore

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State of Utah  
Division of Oil Gas & Minin  
Mining/Exploration Summary

02/17/2006

**LARGE MINING OPERATION**Permt # **M230071**Name: **HICAL 1****Permit Status**

Status: **NAP**      Approved: **/ /**  
Recieved: **03/27/2003**  
Tent Appr: **03/11/2005**

**Mine Status**

Status: **ACT**  
Date: **10/11/2005**

**Ownership**

Surface: **BLM**  
Mineral: **BLM**

**Location**

UTMX: **414,783**  
UTMY: **4,391,692**

**Methods**Minerals Mined/Explored: **TRAVERTINE**Surf/Under: **SURFACE**

Methods Used:

**Bonding**

Approved Acres	Acres Released	Date Released
<b>5</b>	<b>0</b>	<b>/ /</b>
Bond Type		
<b>CD - BANK OF AMERICAN FORK #70024038</b>		
Bond Amount:	Date Bond Expires:	
<b>\$ 20,000</b>	<b>10/13/2005</b>	

**Permit Fees**

Date Sent	Date Received
<b>06/28/2005</b>	<b>10/11/2005</b>
Fee Received	Cash Receipt
<b>\$ 500</b>	<b>6NROG000033</b>
Delinquent Notice	
<b>08/26/2005</b>	

**Comments:**

10/11/2005 - Rec'd delinquent fee payment. Mine status changed from "SUS" back to "ACT".

10/11/2005 - Site inspection performed w/operator to determine if bond amount could be reduced due to reclamation that has been done.

8/26/2005 - Sent 2nd notice that permit fee not paid. Mining suspended until fee paid. If not paid by 9/6/05 NOV will be issued which will carry a fine and penalty. Continuing activities before the fee is paid will result in a Cessation Order which carries a separate fine and penalty.

8/18/2005 - Rec'd letter documentation and 8/11/05 phone conversation wherein operator wants to amend plan. Approximately 2 1/2 acres of mine have been reclaimed and reseeded; therefore, request inspection and reconsideration of Board's request for additional bonding.

**Last Action**Action: **DELQ**Start Date: **08/26/2005**End Date: **/ /**

Delinquent Notice Sent

**Last Inspection**Date **10/11/2005**Inspector **TM**Date of inspection: **10/11/2005** - Report date: **10/12/2005**

Purpose of Inspection:

The purpose of this inspection was at the request of the operator that an engineer, namely Doug Jensen, visit the site and determine if there

**Last Annual Report 2004**Acreage: **6.0**Acr Reclaimed: **3.0**Production: **2,,00, T****Last Agency Action**Agency: **BLM**Agency ID: **UTU-078294**Date: **04/02/200****Operator STEELE, ROBERT**Oper Id: **802**

TaxID

Contact: **ROBERT & TERRY STEELE**Address: **1055 NORTH 400 EAST**Phone: **(435) 623-1877**

Fax

E-Mail

**NEPHI UT 84648**

4/18/2005 - Gary Burningham phone: (801) 756-8138 - fax: (801) 756-4123. Address: 95 North 200 E, PO Box 974, American Fork, UT 84003.

**Location**

Qqqtr	Qqtr	Qtr	Section	Township	Range	Merid	Quad Sheet
		<b>NE</b>	<b>24</b>	<b>S13.0</b>	<b>W02.0</b>	<b>S</b>	<b>sugarloaf quad</b>